

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

ORDER GRANTING NINETY-FOURTH OMNIBUS OBJECTION (NON-SUBSTANTIVE) OF THE
COMMONWEALTH OF PUERTO RICO, PUERTO RICO HIGHWAYS AND TRANSPORTATION
AUTHORITY, AND EMPLOYEES RETIREMENT SYSTEM OF THE GOVERNMENT OF THE
COMMONWEALTH OF PUERTO RICO TO MISCELLANEOUS DEFICIENT CLAIMS

Upon the *Ninety-Fourth Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority, and Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Miscellaneous Deficient Claims* (Docket Entry No. 8983, the “Ninety-Fourth Omnibus

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Objection”),² filed by the Commonwealth of Puerto Rico (“Commonwealth”), the Puerto Rico Highways and Transportation Authority (“HTA”), and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”), dated October 24, 2019, for entry of an order disallowing in their entirety certain claims filed against the Commonwealth, HTA, or ERS, as more fully set forth in the Ninety-Fourth Omnibus Objection and supporting exhibits thereto; and the Court having jurisdiction to consider the Ninety-Fourth Omnibus Objection and to grant the relief requested therein pursuant to PROMESA section 306(a); and venue being proper pursuant to PROMESA section 307(a); and due and proper notice of the Ninety-Fourth Omnibus Objection having been provided to those parties identified therein, and no other or further notice being required; and upon the *Notice of Presentment of Proposed Order (A) Granting in Part the Ninety-Fourth Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority, and Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Deficient Claims Asserting Interests Based Upon Unspecified Puerto Rico Statutes, (B) Approving Form of Notice, and (C) Granting Related Relief* (Docket Entry No. 14626), dated October 20, 2020 (the “Notice”), for entry of an order disallowing the Claims to Be Disallowed via Notice of Presentment and the Claims with Undeliverable Addresses (as defined below), as more fully set forth in the Notice; and, upon the record of the hearing held on the Ninety-Fourth Omnibus Objection on November 18, 2020, and the rulings made therein, Proof of Claim No. 161340 (the “Reclassified Claim”) having been found to have improperly identified as obligor the Commonwealth, when such claim is properly asserted, if at all, against the Puerto Rico Electric Power Authority (“PREPA”); and the Court having found

² Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Ninety-Fourth Omnibus Objection.

Proof of Claim No. 12995 (the “Bondholder Claim”) asserts, in part, a bond issued by ERS which is duplicative of a master proof of claim filed by the Bank of New York Mellon on behalf of ERS bondholders; and the Court having found the Bondholder Claim asserts, in part, bonds issued by the Puerto Rico Sales Tax Financing Authority (“COFINA”) and by the Puerto Rico Industrial, Tourist, Educational, Medical, and Environmental Control Facilities Financing Authority (“AFICA”), for which neither the Commonwealth nor ERS is liable; and the Court having found the remaining portions of the Bondholder Claim improperly identified as obligor ERS, when such portions of the Bondholder Claim are properly asserted, if at all, against the Commonwealth; and the Court having found Proof of Claim No. 14790 to be duplicative of Proof of Claim No. 12995 (the “Duplicative Claim”); and the Court having found Proof of Claim No. 53781 (the “Remaining Deficient Claim”) to be deficient; and the Court having determined that the relief sought in the Ninety-Fourth Omnibus Objection is in the best interests of the Commonwealth, HTA, ERS, their creditors, and all parties in interest; and the Court having determined that the legal and factual bases set forth in the Ninety-Fourth Omnibus Objection establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that the Ninety-Fourth Omnibus Objection is GRANTED as set forth herein; and it is further

ORDERED that, to the extent the Bondholder Claim seeks recovery of amounts for which neither the Commonwealth nor ERS are liable and which are duplicative of one or more Master Claims, as identified in Exhibit A hereto, such portions of the Bondholder Claim are hereby disallowed; and it is further

ORDERED that, to the extent the Bondholder Claim identifies as obligor ERS, when such portions of the claim are properly asserted, if at all, against the Commonwealth, those

portions of the Bondholder Claim are hereby reclassified in part to be a claim asserted against the Commonwealth, as set forth in the column titled “Corrected” in Exhibit A hereto; and it is further

ORDERED that the Duplicative Claim is hereby disallowed in its entirety; and it is further

ORDERED that the Reclassified Claim is hereby reclassified to be a claim asserted against PREPA, as set forth in the column titled “Corrected” in Exhibit A hereto; and it is further

ORDERED that the Debtors’ right to object to the Reclassified Claim, and to the reclassified portions of the Bondholder Claim, is reserved; and it is further

ORDERED that the Remaining Deficient Claim, the Deficient Claims to Be Disallowed via Notice of Presentment, and the Deficient Claims with Undeliverable Addresses are hereby disallowed in their entirety; and it is further

ORDERED that Prime Clerk, LLC, is authorized and directed to designate the Duplicative Claim, the Remaining Deficient Claim, the Deficient Claims to Be Disallowed via Notice of Presentment, and the Deficient Claims with Undeliverable Addresses as expunged on the official claims registry in the Title III Cases; and it is further

ORDERED that Prime Clerk, LLC, is authorized and directed to designate the disallowed portions of the Bondholder Claim as expunged on the official claims registry in the Title III Cases; and it is further

ORDERED that Prime Clerk, LLC is authorized and directed, in the official claims register in the Title III cases, to move certain portions of the Bondholder Claim from the ERS Title III Case (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); to the Title III case for the Commonwealth (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four

Digits of Federal Tax ID: 3481), in accordance with the column titled “Corrected” in Exhibit A hereto; and it is further

ORDERED that Prime Clerk, LLC is authorized and directed, in the official claims register in the Title III cases, to move the Reclassified Claim from the Commonwealth’s Title III Case (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); to the Title III case for PREPA (Bankruptcy Case NO. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747), in accordance with the column titled “Corrected” in Exhibit A hereto; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

SO ORDERED.

Dated: January 13, 2021.

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge